

EXHIBIT 53

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Puerto Rico

Puerto Rico House Passes \$9.188B Fiscal 2020 Budget Bill, Separate \$286M Resolution to Cover Municipal Pay-Go and Health Plan Contributions Out of General Fund

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Relevant Documents:

[House Resolution 505 \(Spanish\)](#)
[House Budget Presentation \(Spanish\)](#)
[House Resolution 519 \(Spanish\)](#)
[House Resolution 520 \(Spanish\)](#)

Puerto Rico's House of Representatives approved a \$9.188 billion general fund budget resolution for fiscal 2020. Voting this evening was along partisan lines. The spending plan, which was [released](#) by the House Treasury, Budget and PROMESA Committee earlier today, now heads to the Senate for consideration with a June 25 deadline for [submission](#) set by the PROMESA oversight board.

The \$9.188 billion spending plan is \$435 million less than the \$9.642 billion proposed by the [administration](#) of Gov. Ricardo Rosselló and \$137.5 million above the \$9.051 billion proposed by the PROMESA [oversight board](#).

While the amended general fund budget resolution is closer to the oversight board proposal than the administration proposal, fiscal 2020 general fund spending would rise by nearly \$300 million through another resolution filed this afternoon and also approved by the House.

The main fiscal 2020 budget bill, House Resolution 505, does not include \$286 million in general fund spending to cover municipal government contributions to the pay-go pension system as well as the Seguro Vital health plan overseen by the Medical Insurance Administration, or ASES, as contemplated under Act 29 of 2019, legislation that was recently [enacted](#) despite being [flagged](#) by the PROMESA oversight board as not compliant with the commonwealth's certified fiscal plan.

However, those payments would be covered through a separate bill, House Resolution 519, that was filed this afternoon and also approved in the lower chamber. House Resolution 519 would assign \$120 million to cover municipal contributions to Seguro Vital and \$166 million municipal contributions to pay-go in fiscal 2020. The measure says the money will be available out of the more than \$10 billion in projected fiscal 2020 general fund revenue as "provided" by the Treasury Department and "certified" in the May 9 fiscal plan.

"We did it this way to make it clear to mayors where that money is and so they can go straight to court if the oversight board moves to block it," House Speaker Carlos "Johnny" Méndez said of House Resolution 519.

Méndez characterized the budget as balanced, viable and requiring "no new taxes."

Outlining the budget bill at the onset of the debate, House Treasury, Budget and PROMESA Committee Chairman Antonio Soto said the spending plan is focused on priority areas including education, health and public security, adding that it "guarantees" essential services and assured no public sector layoffs "despite the fiscal challenges" facing Puerto Rico.

Soto said House Resolution 505, which was amended from the original administration version, also drew on the budget proposal submitted by the oversight board that was never registered on the legislative docket. The committee chief said the \$9.188 billion general fund spending plan appears sufficient when weighed against the testimony of commonwealth government agencies and

nongovernmental entities during the budget process.

The House also passed an administration measure filed in the afternoon, House Resolution 520, which would establish fiscal 2020 “special fund” spending of nearly \$38.7 million not covered in House Resolution 505. The money would be for the Industrial Commission and the lottery systems.

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